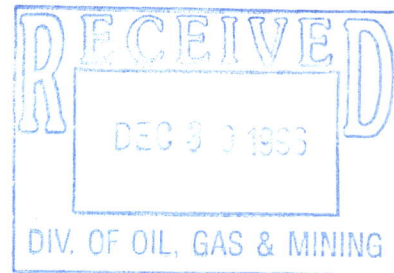


STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 12-95 To (mo./yr.) 12-96
 2. DOGM File Number (Mine No): 51091030
 3. Mine Name: PUSSYCAT 1-6 - KELLI TO
 4. Mineral(s) Mined (or permitted to mine): ALL PRECIOUS METALS (NON-FERROUS)
 5. Type of mine ☒ Surface Mine or ☒ Underground Mine
 6. Legal Description (Location of Lands Affected):

<u>NE</u> 1/4, <u>23</u> 1/4, Section <u>22</u> , Township <u>20S</u> , Range <u>25E</u>	} <u>ALL SLM</u>
<u>SE</u> 1/4, <u>23</u> 1/4, Section <u>22</u> , Township <u>20S</u> , Range <u>25E</u>	
<u>NE</u> 1/4, <u>27</u> 1/4, Section <u>26</u> , Township <u>20S</u> , Range <u>25E</u>	
<u>SW</u> 1/4, <u>23</u> 1/4, Section <u>22</u> , Township <u>20S</u> , Range <u>25E</u>	
 7. Name of Operator or Company: PENE MINING
 8. Permanent Street Address: BOX 4017
City, State, Zip: GRAND TCT. CO 81502
Phone: 970-243-4473
 9. Company Representative (or designated operator):
Name: RON PENE
Title: PROJECT MANAGER FOR PENE MINING
Business Address: BOX 4017
City, State, Zip: GRAND TCT. CO. 81502
Phone: 970-243-4473
- ☒ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes ☒ No ☐
2. If active, how much ore or mineral was mined? ? N/A

3. How much additional acreage was disturbed during the past year? 1

4. Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, and volume of material moved.

NO NEW SURFACE DISTURBANCES, ONLY SMALL MINING OPERATIONS AT EXISTING WORK SITES. PLACER AND LODE ORE, TESTING AND SMALL PRODUCTION, REPAIR AND MAINTENANCE TO GRAND COUNTY ROAD #950, AND SIDE ROADS.

5. How much acreage was reclaimed during the past year? NONE

6. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

NO RECLAMATION WORK WILL BE DONE UNTIL ALL MINING IS COMPLETE OR MORE THAN 5 ACRES IS DISTURBED

7. What is the total disturbed acreage at years end? 5 ACRES OR LESS

8. Briefly summarize any mining and/or reclamation plans for the upcoming year.

ONGOING MINING ACTIVITIES, LESS THAN 5 ACRES NO RECLAMATION IS PLANNED.

NOTE: Section III., "Additional Information" applies only to large mining operations.

III. Additional Information

N/A 1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.

N/A 2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

RON PENE

Title of Operator:

PROJECT MANAGER

Signature of Operator:

R. Pene

Date:

12-27-96